



# House of Representatives

General Assembly

**File No. 168**

January Session, 2017

Substitute House Bill No. 5730

*House of Representatives, March 23, 2017*

The Committee on General Law reported through REP. BARAM of the 15th Dist., Chairperson of the Committee on the part of the House, that the substitute bill ought to pass.

## **AN ACT CONCERNING CERTAIN ALCOHOLIC BEVERAGE MACHINES.**

Be it enacted by the Senate and House of Representatives in General Assembly convened:

1       Section 1. (NEW) (*Effective from passage*) (a) A permittee authorized  
2       pursuant to title 30 of the general statutes to sell alcoholic liquor for  
3       on-premises consumption may use an automated machine that, upon  
4       activation of a payment card by the permittee, may be operated to  
5       dispense beer and wine to the following: (1) An employee of the  
6       permittee who is authorized by law to serve alcoholic beverages, or (2)  
7       a person whom the permittee has verified to be twenty-one years of  
8       age or older who displays a government-issued identification card that  
9       matches the name on the payment card. Such verification that a person  
10      is twenty-one years of age or older shall be recorded by the permittee  
11      or an employee of the permittee.

12      (b) An automated machine authorized by subsection (a) of this  
13      section shall not dispense a serving of more than thirty-two ounces of  
14      beer or ten ounces of wine before the payment card is reactivated by

- 15 the permittee or an employee of the permittee.

This act shall take effect as follows and shall amend the following sections:
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Section 1	<i>from passage</i>	New section
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***Statement of Legislative Commissioners:***

The title was changed for accuracy.

**GL**      *Joint Favorable Subst. -LCO*

The following Fiscal Impact Statement and Bill Analysis are prepared for the benefit of the members of the General Assembly, solely for purposes of information, summarization and explanation and do not represent the intent of the General Assembly or either chamber thereof for any purpose. In general, fiscal impacts are based upon a variety of informational sources, including the analyst's professional knowledge. Whenever applicable, agency data is consulted as part of the analysis, however final products do not necessarily reflect an assessment from any specific department.

### **OFA Fiscal Note**

#### **State Impact:**

Agency Affected	Fund-Effect	FY 18 \$	FY 19 \$
Department of Revenue Services	GF - Potential Revenue Gain	75,000	75,000

Note: GF=General Fund

#### **Municipal Impact:** None

#### **Explanation**

The bill allows alcoholic liquor permittees who are authorized to serve alcohol for on-premises consumption to use an automated machine to serve beer and wine.

This results in a potential revenue gain in sales and alcoholic beverages taxes to the extent that (1) one or more permittees install automated machines<sup>1</sup> and (2) there is an increase in alcohol consumption rather than a shift from currently allowed transactions for alcohol.

For illustrative purposes, if there is a 0.1% increase in alcohol consumption due to the availability of automated machines, there would be a revenue increase of \$75,000 annually in sales and alcoholic beverages taxes.

#### **The Out Years**

The annualized ongoing fiscal impact identified above would continue into the future subject to inflation.

<sup>1</sup> Such machines range between \$5,000 and \$25,000 depending on the size and type.

**OLR Bill Analysis****HB 5730*****AN ACT CONCERNING CERTAIN ALCOHOLIC BEVERAGE MACHINES.*****SUMMARY**

This bill allows alcoholic liquor permittees authorized to serve alcohol for on-premises consumption to use an automated machine to serve beer and wine.

Under the bill, the automated machine, upon the permittee's activation of a payment card, may be operated to dispense beer and wine to (1) a permittee's employee who is authorized to serve alcohol or (2) a person the permittee has verified to be age 21 or older who displays a government-issued identification card that matches the name on the payment card. (Presumably, when the person purchases a payment card, the permittee will put the person's name on the card.) The permittee or employee must record the verification that the person is over age 21.

Under the bill, automated machines cannot dispense a serving of more than 32 ounces of beer or 10 ounces of wine before the permittee or employee must reactivate the payment card.

EFFECTIVE DATE: Upon passage

**COMMITTEE ACTION**

General Law Committee

Joint Favorable

Yea 15      Nay 2      (03/07/2017)